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Programme budget for the biennium 2010-2011

Human resources management

United Nations common system

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission for 2010*

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

Summary

The present statement, submitted pursuant to rule 153 of the rules of procedure of the General Assembly, describes the administrative and financial implications of the decisions and recommendations of the International Civil Service Commission for the common system, in particular for the programme budget of the United Nations, commencing with that for the biennium 2010-2011. In the interest of providing comprehensive information, the statement also describes the implications for the budgets of peacekeeping operations and the support account for peacekeeping operations, commencing with those for the peacekeeping financial period 2010/2011.

Should the General Assembly approve the recommendations of the Commission, the resource requirements arising from those recommendations under the regular budget for 2011 will be taken into consideration in the context of the performance reports for the biennium 2010-2011. The resource requirements under the budgets of peacekeeping operations and the support account for peacekeeping operations for the peacekeeping financial periods 2011/2012 and 2012/2013 will be taken into consideration.

* An advance copy of the report of the International Civil Service Commission for 2010 (A/65/30) was used in the preparation of the present statement of implications.

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partly in the performance report for the period from 1 July 2010 to 30 June 2011 and partly in the context of the proposed budgets for the period from 1 July 2011 to 30 June 2012.

Resource requirements for subsequent periods will be included in the proposed programme budgets and the budgets of peacekeeping operations and the support account for peacekeeping operations.

I. Introduction

1. The annual report of the International Civil Service Commission for 2010 (A/65/30) contains decisions and recommendations giving rise to financial implications for the programme budget, starting with that for the biennium 2010-2011, and for the budgets of peacekeeping operations and the support account for peacekeeping operations, starting with those for the peacekeeping financial period 2010/2011, related to the following issues:

(a) Conditions of service applicable to staff in both the Professional and higher categories and the General Service and related categories:

(i) Education grant;

(b) Conditions of service for staff in the Professional and higher categories:

(i) Base/floor salary scale;

(ii) Children's and secondary dependant's allowances;

(c) Conditions of service for staff in the field:

(i) Harmonization of the conditions of service for staff serving at non-family duty stations in the common system:

a. Harmonization of the designation of non-family duty stations;

b. Additional hardship allowance under the existing mobility and hardship scheme for staff serving at non-family duty stations;

c. Harmonization of rest and recuperation travel for staff members and United Nations Volunteers serving in peacekeeping missions and special political missions.[1]

II. Conditions of service applicable to staff in both the Professional and higher categories and the General Service and related categories

A. Education grant: review of the level

2. The Commission reviewed the proposals made by the Human Resources Network of the United Nations System Chief Executives Board for Coordination for a review of the levels of the education grant[2] on the basis of the analysis of expenditure data relating to the 14,724 claims submitted for the academic year 2008/2009 in the 15 individual countries/currency areas for which the education grant was administered. In addressing the proposals of the Human Resources Network, the Commission reviewed both the movement of school fees and the percentage of submitted claims that exceeded the maximum admissible expenses. In all cases, the Commission decided to limit the percentage increase in the ceiling to 100 per cent of the fee movement or the percentage increase required to bring 95 per cent of cases within the ceiling, whichever is lower.

[1] The report of the Commission does not include financial implications for United Nations Volunteers serving in peacekeeping operations and special political missions.

[2] A/65/30, paras. 74 to 83.

3. The Commission decided to recommend to the General Assembly that:

(a) For Austria, Denmark, France, Germany, Italy, the Netherlands, Spain, Switzerland, the United Kingdom of Great Britain and Northern Ireland, the United States of America and the United States dollar area outside the United States, the maximum admissible expenses and the maximum education grant be adjusted, as shown in the first table of annex III to the report of the Commission;

(b) For Belgium, Ireland, Japan and Sweden, the maximum admissible expenses and the maximum education grant remain at their current levels, as shown in the second table of annex III to the report of the Commission;

(c) For Austria, Belgium, Denmark, France, Germany, Italy, the Netherlands, Spain, Sweden, Switzerland, the United Kingdom, the United States and the United States dollar area outside the United States, the normal flat rates for boarding taken into account within the maximum admissible educational expenses, and the additional amount for the reimbursement of boarding costs over and above the maximum grant payable to staff members at designated duty stations be revised, as shown in the third table of annex III to the report of the Commission;

(d) For Ireland and Japan, the normal flat rates and additional flat rates for boarding be maintained at current levels as shown in the fourth table of annex III to the report of the Commission;

(e) The special measures for China, Hungary, Indonesia, Romania and the Russian Federation as well as the eight specific schools in France be maintained;

(f) The special measures for Bulgaria be discontinued;

(g) All of the measures recommended above be applicable as from the school year in progress on 1 January 2011.

As regards all other proposals, the Commission agreed to defer its decisions and requested its secretariat to take them into consideration in the context of the next methodology review.

4. The annual financial implications arising from the review of the education grant levels detailed in the report of the Commission amount to $2.82 million for the United Nations and other participating organizations of the common system.

5. The financial implications of the recommendations set out in paragraph 3 above for the programme budget of the United Nations for the biennium 2010-2011 have been estimated at $170,900.[3]

6. The financial implications of these recommendations for the budgets of peacekeeping operations for the period from 1 July 2010 to 30 June 2011 and for the period from 1 July 2011 to 30 June 2012 have been estimated at $84,300 and $168,600, respectively.

[3] The estimated annual cost implications arising from these recommendations for the United Nations as a whole amount to $478,000. In calculating the amount of the implications for the programme budget, the human resources statistics of the Chief Executives Board as at 31 December 2009 were used. These show that, of the total of 10,083 Professional staff of the United Nations, 3,606 (35.76 per cent) are funded from the regular budget (the programme budget). Accordingly, this percentage was applied to the amount of $478,000 ($478,000x35.76 per cent=$170,900) to estimate the annual cost implications for the programme budget.

7. The financial implications of these recommendations for the budgets of the support account for peacekeeping operations for the period from 1 July 2010 to 30 June 2011 and for the period from 1 July 2011 to 30 June 2012 have been estimated at $10,900 and $21,800, respectively.

III. Conditions of service for staff in the Professional and higher categories

A. Base/floor salary scale

8. The General Assembly, in section I.H of its resolution 44/198, introduced the concept of the base/floor salary scale[4] for staff in the Professional and higher categories, set by reference to the corresponding net salary levels of officials in comparable positions serving in the base city of the comparator civil service (the federal civil service of the United States of America), with effect from 1 July 1990.

9. The cumulative movement of the General Schedule of the United States federal civil service, the current comparator, increased by 1.5 per cent as from 1 January 2010. Combined with the tax changes recorded at the federal level in Washington, D.C., and in the States of Virginia and Maryland, this increase in gross comparator salaries translated into a net increase of 1.37 per cent as compared with the 2009 levels. In accordance with approved procedure and past practice, an upward adjustment of 1.37 per cent in the common system salary scale for staff in the Professional and higher categories, with effect from 1 January 2011, was recommended. The increase in the base/floor salary scale would be implemented using the standard method of consolidating 1.37 per cent of the post adjustment into the base/floor salary scale on a no-loss/no-gain basis.

10. The annual financial implications arising from such an adjustment in the base/floor salary scale for the United Nations and for other participating organizations of the common system referred to in the report of the Commission amount to approximately $673,000, broken down as follows:

(a) For duty stations with a low post adjustment that would otherwise fall below the level of the new base/floor and might not be able to absorb a base salary increase: none;

(b) In respect of the scale of separation payments: $673,000.

[4] A/65/30, paras. 115 to 120.

11. The financial implications of the recommendation set out in paragraph 9 above for the programme budget of the United Nations for the biennium 2010-2011 have been estimated at $88,600.[5]

12. The financial implications of this recommendation for the budgets of peacekeeping operations for the period from 1 July 2010 to 30 June 2011 and for the period from 1 July 2011 to 30 June 2012 have been estimated at $63,800 and $127,600, respectively.

13. The financial implications of this recommendation for the budgets of the support account for peacekeeping operations for the period from 1 July 2010 to 30 June 2011 and for the period from 1 July 2011 to 30 June 2012 have been estimated at $14,400 and $28,800, respectively.

B. Children's and secondary dependant's allowances: review of the level

14. In its biennial review of dependency allowances for staff in the Professional and higher categories, the Commission considered the levels of children's and secondary dependant's allowances[6] in the context of revisions made with respect to tax provisions and social legislation payments since its previous review. In addition, the Commission was provided with information on the application of the mechanism of transitional measures that it had approved at its sixty-sixth session.

15. The Commission decided to recommend to the General Assembly that, as at 1 January 2011:

(a) The children's allowance be set at $2,929 per annum and the disabled children's allowance at $5,858 per annum;

(b) The secondary dependant's allowance be set at $1,025 per annum;

(c) The United States dollar amount of the allowance, as established in subparagraphs (a) and (b) above, be converted to local currency using the official United Nations exchange rate as at the date of implementation and remain unchanged until the next biennial review;

(d) As a transitional measure where, at the time of implementation, the revised flat-rate allowance is lower than the one currently in effect, the allowances payable to currently eligible staff be equal to the higher rate reduced by 50 per cent of the difference between the two rates;

(e) The dependency allowances be reduced by the amount of any direct payments received by staff from a Government in respect of dependants.

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[5] The year-to-date expenditure as at the end of August 2010 under the programme budget against the budget lines related to repatriation/termination indemnities amounted to $4,313,100. As repatriation/termination indemnities are paid to staff affected on the basis of their base/floor salary, a change to the base/floor salary scale would affect the expenditures incurred. Therefore, the annual cost implications arising from this recommendation are calculated by annualizing the year-to-date expenditure ($4,313,100) and then multiplying the result by the proposed 1.37 per cent increase in the base/floor salary scale ($4,313,100÷8x12x1.37 per cent=$88,600).

[6] A/65/30, paras. 156 to 162.

16. The annual financial implications arising from the revised levels of the allowances referred to in the report of the Commission amount to $3.9 million for the United Nations and other participating organizations of the common system.

17. The financial implications of the Commission's recommendation concerning children's and secondary dependant's allowances for the programme budget of the United Nations for the biennium 2010-2011 have been estimated at $112,500.[7]

18. The financial implications of the recommendations set out in paragraph 15 above for the budgets of peacekeeping operations for the period from 1 July 2010 to 30 June 2011 and for the period from 1 July 2011 to 30 June 2012 have been estimated at $55,500 and $111,000, respectively.

19. The financial implications of these recommendations for the budgets of the support account for peacekeeping operations for the period from 1 July 2010 to 30 June 2011 and for the period from 1 July 2011 to 30 June 2012 have been estimated at $7,200 and $14,400, respectively.

IV. Conditions of service for staff in the field

A. Harmonization of the conditions of service for staff serving at non-family duty stations in the common system

20. The Secretary-General's proposal for the harmonization of the conditions of service (including second households and hardship allowance) for staff serving at non-family duty stations) for staff serving at non-family duty stations in the common system[8] also called for the harmonization of conditions applying to the United Nations rest and recuperation scheme and those applicable to other common system organizations.

21. In response to a request by the Commission, the secretariat of the Commission established a technical working group with organizations and staff federations with a view to identifying options for the achievement of harmonization regarding the two issues of second households and rest and recuperation.

22. With the exception of the United Nations Secretariat, all organizations of the United Nations common system provide some form of compensation for the maintenance of a second household and other related additional costs when staff with dependants or single staff are assigned to a non-family duty station. Prior to the 2009 contractual reform in the United Nations, the pay package for mission appointees in United Nations peacekeeping operations differed substantially from that applicable to all other common system staff. It did not include any allowance for service in non-family duty stations and consisted of only two elements: base salary and mission subsistence allowance. With the implementation of the

[7] The estimated annual cost implications arising from this recommendation for the United Nations as whole amount to $314,500. In calculating the amount of the implications for the programme budget, the human resources statistics of the Chief Executives Board as at 31 December 2009 were used. These show that, of the total of 10,083 Professional staff of the United Nations, 3,606 (35.76 per cent) are funded from the regular budget (the programme budget). Accordingly, this percentage was applied to the amount of $314,500 ($314,500x35.76 per cent=$112,500) to estimate the annual cost implications for the programme budget.

[8] A/65/30, paras. 193 to 243.

contractual reform on 1 July 2009, former mission appointees were converted to regular staff status and received the standard pay package in terms of post adjustment and benefits/allowances, that is, they were no longer paid the location-specific mission subsistence allowance, but they remained the only common system staff not to benefit from any second household allowance, because the mission subsistence allowance was intended as a lump sum to cover the costs of being at the place of duty, while the base salary was for other commitments outside the duty station.

23. The cost implications for United Nations special political missions and peacekeeping operations as a result of the Commission's recommendations on the harmonization of the conditions of service for staff serving at non-family duty stations are summarized in tables 1, 2 and 3.

24. The tables are followed by a narrative on the financial implications of the three recommendations of the Commission, namely:

(a) Harmonization of the designation of non-family duty stations;

(b) Additional hardship allowance under the existing mobility and hardship scheme for staff serving at non-family duty stations;

(c) Harmonization of rest and recuperation travel.

25. It should be noted that the Commission also recommended that the effective date for its three recommendations on the harmonization of the conditions of service for staff serving at non-family duty stations be six months after any decision by the General Assembly. This would allow organizations to prepare for a smooth implementation. Accordingly, an effective date of 1 July 2011 is envisaged.

26. Table 1 presents the cost implications of the Commission's recommendations on the harmonization of the conditions of service for staff serving at non-family duty stations for the United Nations for the first year of implementation, starting on 1 July 2011, and the annual recurring cost implications thereafter.

27. Table 2 presents the cost implications of the Commission's recommendations for the programme budgets of the United Nations by biennial budgetary cycle (for the bienniums 2010-2011, 2012-2013 and 2014-2015 onwards).

28. Table 3 presents the cost implications of the Commission's recommendations for the budgets of peacekeeping operations by peacekeeping budgetary cycle (for the periods 2011/2012 and 2012/2013 onwards).

Table 1

Cost implications for the United Nations as a result of the Commission's recommendations on the harmonization of the conditions of service for staff serving at non-family duty stations

(United States dollars)

	Cost implications for the first year of implementation (1 July 2011 to 30 June 2012)			*Annual recurring costs after 1 July 2012*
	Total	*Less personal transitional allowance savings*	*Net*	
	a	*b*	*c=(a+b)*	*d*
(i) Harmonization of the designation of non-family duty stations				
Special political missions	9 744 000	(6 214 000)	3 530 000	4 253 000
Peacekeeping operations	18 635 000	(1 759 000)	16 876 000	8 487 800
Subtotal (i)	**28 379 000**	**(7 973 000)**	**20 406 000**	**12 740 800**
(ii) Additional hardship allowance for staff serving in non-family duty stations				
Special political missions	5 750 000	(230 000)	5 520 000	5 750 000
Peacekeeping operations	57 165 000	(17 368 000)	39 797 000	57 165 000
Subtotal (ii)	**62 915 000**	**(17 598 000)**	**45 317 000**	**62 915 000**
(iii) Harmonization of rest and recuperation travel				
Special political missions — rest and recuperation travel for staff	4 815 000	—	4 815 000	4 815 000
Special political missions — rest and recuperation travel for United Nations Volunteers	742 000	—	742 000	742 000
Subtotal (regular budget)	**5 557 000**	—	**5 557 000**	**5 557 000**
Peacekeeping operations — rest and recuperation travel for staff	40 332 000	—	40 332 000	40 332 000
Peacekeeping operations — rest and recuperation travel for United Nations Volunteers	18 880 000	—	18 880 000	18 880 000
Subtotal (peacekeeping operations)	**59 212 000**	—	**59 212 000**	**59 212 000**
Subtotal (iii)	**64 769 000**	—	**64 769 000**	**64 769 000**
Total (i, ii and iii)	**156 063 000**	**(25 571 000)**	**130 492 000**	**140 424 800**
Distribution by source of fund:				
Regular budget (special political missions)	21 051 000	(6 444 000)	14 607 000	15 560 000
Peacekeeping operations	135 012 000	(19 127 000)	115 885 000	124 864 800

Table 2

Cost implications for the programme budget of the United Nations as a result of the Commission's recommendations on the harmonization of the conditions of service for staff serving at non-family duty stations, by biennial budgetary cycle

(United States dollars)

		Biennium 2010-2011			*Biennium 2012-2013*			*Biennium 2014-2015*
		Cost implications (July 2011-December 2011)			*Cost implications (January 2012-December 2013)*			*Cost implications*
ICSC recommendations by time period	*Row number*	*Total*	*Less personal transitional allowance savings*	*Net*	*Total*	*Less personal transitional allowance savings*	*Net*	*Total*
		a	*b*	*c=(a+b)*	*g*	*h*	*i=(g+h)*	*j*
(i) Harmonization of the designation of non-family duty stations								
July 2011-December 2011[a]	I	7 308 000	(3 107 000)	4 201 000				
January 2012-June 2012[a]	II				2 436 000	(3 107 000)	(671 000)	
July 2012-December 2012	III				2 126 500	—	2 126 500	
January 2013-December 2013	IV				4 253 000	—	4 253 000	
Subtotal (January 2012-December 2013)	**II+III+IV**				**8 815 500**	**(3 107 000)**	**5 708 500**	
January 2014-December 2015	V							8 506 000
(ii) Additional hardship allowance for staff serving at non-family duty stations								
July 2011-December 2011[b]	VI	2 875 000	(115 000)	2 760 000				
January 2012-June 2012[b]	VII				2 875 000	(115 000)	2 760 000	
July 2012-December 2012	VIII				2 875 000	—	2 875 000	
January 2013-December 2013	IX				5 750 000	—	5 750 000	
Subtotal (January 2012-December 2013)	**VII+VIII+IX**				11 500 000	(115 000)	11 385 000	
January 2014-December 2015	X							11 500 000
(iii) Harmonization of rest and recuperation travel								
Special political missions rest and recuperation (staff) (July 2011-December 2011)	XI	2 407 500	—	2 407 500				

ICSC recommendations by time period	Row number	Biennium 2010-2011			Biennium 2012-2013			Biennium 2014-2015
		Cost implications (July 2011-December 2011)			Cost implications (January 2012-December 2013)			Cost implications
		Total	Less personal transitional allowance savings	Net	Total	Less personal transitional allowance savings	Net	Total
		a	*b*	*c=(a+b)*	*g*	*h*	*i=(g+h)*	*j*
Special political missions rest and recuperation (United Nations Volunteers) (July 2011-December 2011)	XII	371 000	—	371 000				
Subtotal special political missions (United Nations staff+United Nations Volunteers) (July 2011-December 2011)	**XI+XII**	**2 778 500**	**—**	**2 778 500**				
Special political missions rest and recuperation (staff) (January 2012-December 2013)	XIII				9 630 000	—	9 630 000	
Special political missions rest and recuperation (United Nations Volunteers) (January 2012-June 2013)	XIV				1 484 000	—	1 484 000	
Subtotal special political missions (United Nations staff+United Nations Volunteers) (July 2012-December 2013)	**XIII+XIV**				**11 114 000**	**—**	**11 114 000**	
Special political missions rest and recuperation (staff) (January 2014-December 2015)								9 630 000
Special political missions rest and recuperation (United Nations Volunteers) (January 2014-December 2015)								1 484 000
Subtotal special political missions (United Nations staff+United Nations Volunteers) (July 2014-December 2015)								**11 114 000**
Total		**12 961 500**	**(3 222 000)**	**9 739 500**	**31 429 500**	**(3 222 000)**	**28 207 500**	**31 120 000**

[a] The sums under "Total", "Less personal transitional allowance savings" and "Net" in rows I and II equal, respectively, the amounts of implications under "Total", "Less personal transitional allowance savings" and "Net" for the first year of implementation of the recommendations on the harmonization of the designation of non-family duty stations, as shown in table 1. (For example, the sum of $4,201,000 plus ($671,000) equals $3,530,000, which is the net amount under the programme budget shown in table 1.)

[b] The sums under "Total", "Less personal transitional allowance savings" and "Net" in rows VI and VII equal, respectively, the amounts of implications under "Total", "Less personal transitional allowance savings" and "Net" for the first year of implementation of the recommendations on additional hardship allowance for staff serving in non-family duty stations, as shown in table 1. (For example, the sum of $2,760,000 plus $2,760,000 equals $5,520,000, which is the net amount under the programme budget shown in table 1.)

Table 3

Cost implications for the budgets of peacekeeping operations as a result of the Commission's recommendations on the harmonization of the conditions of service for staff serving at non-family duty stations, by peacekeeping budgetary cycle

(United States dollars)

	July 2011- June 2012			*July 2012- June 2013*		
	Total	*Less personal transitional allowance savings*	*Net*	*Total*	*Less personal transitional allowance savings*	*Net*
	a	*b*	*c=(a+b)*	*a*	*b*	*c=(a+b)*
(i) Harmonization of the designation of non-family duty stations	18 635 000	(1 759 000)	16 876 000	8 487 800	—	8 487 800
(ii) Additional hardship allowance for staff serving at non-family duty stations	57 165 000	(17 368 000)	39 797 000	57 165 000	—	57 165 000
(iii) Harmonization of rest and recuperation travel						
Rest and recuperation travel for staff	40 332 000	—	40 332 000	40 332 000	—	40 332 000
Rest and recuperation travel for United Nations Volunteers	18 880 000	—	18 880 000	18 880 000	—	18 880 000
Subtotal (rest and recuperation travel)	**59 212 000**	—	**59 212 000**	**59 212 000**	—	**59 212 000**
Total (i)+(ii)+(iii)	**135 012 000**	**(19 127 000)**	**115 885 000**	**124 864 800**	—	**124 864 800**

1. Harmonization of the designation of non-family duty stations

29. After detailed deliberation, the Commission decided to recommend to the General Assembly that the United Nations harmonize the designation of non-family duty stations[9] on the basis of a security assessment, as currently applied by the rest of the common system.

30. In accordance with the decision taken by the Commission at its seventy-first session, an estimate of the financial implications for the United Nations Secretariat arising from its recommendations regarding the harmonization of the designation of non-family duty stations was provided to the Commission by the United Nations Secretariat. Those implications amount to $20.3 million for the first year of implementation and $12 million per annum thereafter.

31. As shown in section (i) of table 1, for the first year of implementation, from 1 July 2011 to 30 June 2012, the total financial implications of the Commission's recommendations on the harmonization of the designation of non-family duty stations, as estimated by the Secretariat, amount to $28,379,000, of which $9,744,000 relates to special political missions funded under the programme budget of the United Nations and $18,635,000 relates to peacekeeping operations. After the

[9] A/65/30, paras. 193 to 198.

deduction of the savings realized from the discontinuance of personal transitional allowance, totalling $7,973,000 ($6,214,000 for special political missions and $1,759,000 for peacekeeping operations), from the total financial implications for the first year, the net financial implications of the recommendations amount to $20,406,000 ($3,530,000 for special political missions and $16,876,000 for peacekeeping operations). The amount of the net financial implications of the recommendations for the first year ($20,406,000) differs slightly from the corresponding amount set out in the report of the Commission ($20,300,000), as a result of rounding. The cost implications referred to above are applicable only to the first year of the implementation of the recommendations and include one-time costs relating to the installation of the family members of all staff currently serving at locations that would be designated as family duty stations.

32. As also shown in section (i) of table 1, the annual recurring costs after the first year of implementation, that is, after 1 July 2012, are estimated at $12,740,800 ($4,253,000 for special political missions and $8,487,800 for peacekeeping operations). This includes the recurring costs relating to the education grant travel and home leave travel of family members, as well as one-time costs relating to the installation of new families, based on a three-year average assignment period for staff at family duty stations.

33. The financial implications of these recommendations for the first year of implementation would affect the programme budget for the current biennium, 2010-2011 (the six-month period from 1 July 2011 to 31 December 2011), and the proposed programme budget for the biennium 2012-2013 (the six-month period from 1 January 2012 to 30 June 2012). It is assumed that 75 per cent of the total costs estimated for the first year of implementation would be incurred during the first six months and 25 per cent during the second six months, while the estimated personal transitional allowance savings during the first year and the annual recurring costs as from 1 July 2012 would be applied proportionally on the basis of the length of the time period affected. On the basis of this assumption, the net financial implications for the programme budget for the biennium 2010-2011 and for the proposed programme budgets for the bienniums 2012-2013 and 2014-2015 onwards have been estimated at $4,201,000, $5,708,500 and $8,506,000, respectively, as shown in section (i) of table 2.

34. Unlike the programme budget, the effective date coincides with the starting date of the budgetary cycle for peacekeeping operations. The net financial implications for the budgets of peacekeeping operations for the periods 2011/2012 and 2012/2013 onwards have been estimated at $16,876,000 and $8,487,800, respectively, as shown in section (i) of table 3.

2. Additional hardship allowance under the existing mobility and hardship scheme for staff serving at non-family duty stations

35. As regards staff assigned to non-family duty stations, the Commission decided to recommend to the General Assembly:[10]

(a) That a change be made to the existing hardship allowance whereby staff assigned to non-family duty stations would receive an additional amount in recognition of the fact that such service represents an increased level of financial

[10] A/65/30, para. 243.

and psychological hardship in terms of involuntary separation from families and additional costs related to such service;

(b) That for staff paid at the dependency rate, the additional measure be 100 per cent of the applicable dependency rate of the hardship allowance for category E — the most difficult duty stations — and that the hardship matrix be amended to reflect this, as shown in annex X to the report of the Commission;

(c) That for staff paid at the single rate, the additional measure be equivalent to 50 per cent of the applicable single rate of the hardship allowance for category E — the most difficult duty stations — and that the hardship matrix be amended to reflect this, as shown in annex X to the report of the Commission;

(d) That staff continue to receive the normal hardship allowance at the level applicable to the duty station to which they are assigned.

36. The financial implications of the Commission's recommendations regarding additional hardship allowance under the existing mobility and hardship scheme for staff serving at non-family duty stations, as estimated by the Commission, amount to $46.8 million per annum for staff members of the United Nations Secretariat. However, the other United Nations agencies, funds and programmes would realize cost savings, which gives rise to the overall estimated cost to the common system of $21.9 million per annum.

37. As shown in section (ii) of table 1, the total financial implications of the Commission's recommendations for the first year of implementation (1 July 2011 to 30 June 2012) as estimated by the Secretariat, amount to $62,915,000 ($5,750,000 for special political missions and $57,165,000 for peacekeeping operations). With the partial offsetting of this amount by savings realized through the discontinuation of the personal transitional allowance, totalling $17,598,000 ($230,000 under special political missions and $17,368,000 under peacekeeping operations), the net financial implications for special political missions and peacekeeping operations amount to $45,317,000 ($5,520,000 for special political missions and $39,797,000 for peacekeeping operations).

38. As shown in section (ii) of table 1, as from 1 July 2012, the annual recurring costs of the Commission's recommendations after the first year of implementation are estimated at $62,915,000 ($5,750,000 for special political missions and $57,165,000 for peacekeeping operations).

39. The difference between the cost estimated by the Commission for the first year of the implementation ($46.8 million) and the United Nations Secretariat's corresponding estimate of $45,317,000 is due to the time lag between the two calculations and to the fact that a different assumption was used. The net amount of $46.8 million estimated by the Commission represents the estimated cost for the allowances for 6,078 staff at non-family duty stations as at 1 March 2010, without allowing for the impact of the Commission's recommendations on the harmonization of the designation of non-family duty stations, that is, assuming the two recommendations are independent from each other. In calculating the net cost, the Commission assumed that the total amount of personal transitional allowance ($36.5 million) paid in 2009 would be offset against the total cost ($83.3 million). However, the United Nations Secretariat calculated the cost of introducing the allowance on the basis of 4,655 staff at non-family duty stations after adjusting for 1,423 staff who would be assigned to family duty stations, as recommended by the

Commission, assuming that the recommendations regarding additional hardship allowance would be implemented in conjunction with the recommendations on the harmonization of the designation of non-family duty station. The Secretariat's calculation also took into account the deduction of $17,598,000 in savings realized through the discontinuation of the personal transitional allowances from the total financial implications, resulting in an estimated net cost of $45,317,000 for the first year of implementation.

40. As noted above, the envisaged effective date for implementation of these recommendations is 1 July 2011. The financial implications of the recommendations for the first year of implementation would affect the programme budget for the current biennium, 2010-2011 (the six-month period from 1 July 2011 to 31 December 2011), and the proposed programme budget for the biennium 2012-2013 (the six-month period from 1 January 2012 to 30 June 2012). It is assumed that the total costs and personal transitional allowances estimated for the first year of implementation would be incurred proportionally on the basis of the length of the time period affected, that is, 50 per cent during the first six months, which falls in the biennium 2010-2011, and 50 per cent during the second six months, which falls in the biennium 2012-2013. As from 1 July 2012, the annual recurring costs shown in table 1 would also be incurred proportionally during the bienniums affected. On the basis of this assumption, the net financial implications for the programme budget for 2010-2011 and for the proposed programme budgets for 2012-2013 and 2014-2015 onwards have been estimated at $2,760,000, $11,385,000 and $11,500,000, respectively, as shown in section (ii) of table 2.

41. The net financial implications for the budgets of peacekeeping operations for the periods 2011/2012 and 2012/2013 onwards have been estimated at $39,797,000 and $57,165,000, respectively, as shown in section (ii) of table 3.

3. Harmonization of rest and recuperation travel

42. The Commission recommends to the General Assembly that the provisions governing rest and recuperation be harmonized across the common system through the adoption of a common rest and recuperation framework. On the basis of the recommendation made by the Commission at its seventy-first session, the United Nations Secretariat provided an estimate of the financial implications arising from its recommendation regarding the harmonization of rest and recuperation travel for staff members of the Secretariat, amounting to $45.15 million per annum. As indicated in the report of the Commission, the financial impact of such harmonization on other common system organizations is more or less cost-neutral.

43. It should be noted that the cost estimate set out in the report of the Commission with regard to the United Nations Secretariat does not take account of United Nations Volunteers serving in peacekeeping operations and special political missions. The conditions of service for United Nations Volunteers provide for the extension of the same rest and recuperation scheme as that provided to the staff of the organization in which they serve. Accordingly, should the General Assembly approve the introduction of paid rest and recuperation travel for international field staff, International United Nations Volunteers serving in United Nations field operations would be eligible for paid rest and recuperation travel under the same conditions as international staff. This would also harmonize the rest and recuperation scheme for United Nations Volunteers serving with the Secretariat with the scheme

provided for United Nations Volunteers serving with separately administered funds and programmes at the same duty stations.

44. The annual financial implications of the harmonization of rest and recuperation travel for staff members of the United Nations Secretariat have been estimated at $45,147,000 for paid rest and recuperation travel for staff members, including $4,815,000 for special political missions and $40,332,000 for peacekeeping operations, as indicated in section (iii) of table 1.

45. The financial implications of the harmonization of rest and recuperation travel for United Nations Volunteers serving in peacekeeping operations and special political missions have been estimated at $19,622,000 for paid rest and recuperation travel for United Nations Volunteers, including $742,000 for special political missions and $18,880,000 for peacekeeping operations, as indicated in section (iii) of table 1.

46. In total, the financial implications of the harmonization of rest and recuperation travel have been estimated at $64,769,000 for paid rest and recuperation travel for staff members and United Nations Volunteers, including $5,557,000 for special political missions and $59,212,000 for peacekeeping operations.

47. The annual recurring costs arising from this recommendation after the first year of implementation are estimated at $64,769,000 for paid rest and recuperation travel for staff members and United Nations Volunteers, including $5,557,000 for special political missions and $59,212,000 for peacekeeping operations.

48. As the envisaged effective date for the implementation of this recommendation is 1 July 2011, the financial implications of the recommendation for the first year of implementation, as set out in paragraph 44 above, would affect the programme budget for the current biennium, 2010-2011 (the six-month period from 1 July 2011 to 31 December 2011), and the proposed programme budget for the biennium 2012-2013 (the six-month period from 1 January 2012 to 30 June 2012). It is assumed that the estimated total costs during the first year of implementation would be incurred proportionally on the basis of the length of the time period affected, that is, 50 per cent during the first six months, which falls in the biennium 2010-2011, and 50 per cent during the second six months, which falls in the biennium 2012-2013. As from 1 July 2012, the annual recurring costs shown in table 1 would also be incurred proportionally in the bienniums affected. On the basis of this assumption, the net financial implications for the programme budgets for the bienniums 2010-2011, 2012-2013 and 2014-2015 onwards have been estimated at $2,778,500, $11,114,000 and $11,114,000, respectively, as shown in section (iii) of table 2.

49. The net financial implications for the budgets of peacekeeping operations for the period 2011/2012 onwards have been estimated at $59,212,000, as shown in section (iii) of table 3.

50. The overall net financial implications of the Commission's recommendations on the harmonization of the conditions of service for staff serving at non-family duty stations for the programme budget for the biennium 2010-2011 and the proposed programme budgets for 2012-2013 and 2014-2015 onwards are estimated at $9,739,500, $28,207,500 and $31,120,000, respectively, as shown in table 2.

51. The overall net financial implications of the Commission's recommendations on the harmonization of the conditions of service for staff serving at non-family duty

stations for the budgets of peacekeeping operations for the periods 2011/2012 and 2012/2013 onwards are estimated at $115,885,000 and $124,864,800, respectively, as shown in table 3.

V. Conclusions and recommendations

52. **In summary, the financial implications arising from the decisions and recommendations of the International Civil Service Commission for the programme budget for the bienniums 2010-2011, 2012-2013 and 2014-2015 onwards are estimated at $10,111,500, $28,951,500 and $31,864,000, respectively, as summarized in table 4.**

Table 4
Summary of financial implications for programme budgets and proposed programme budgets as a result of the decisions and recommendations of the Commission
(United States dollars)

	Biennium 2010-2011	*Biennium 2012-2013*	*Biennium 2014-2015 onwards*
(a) Education grant	170 900	341 800	341 800
(b) Base/floor salary scale	88 600	177 200	177 200
(c) Children's and secondary dependant's allowances	112 500	225 000	225 000
(d) Harmonization of the conditions of service for staff serving at non-family duty stations	9 739 500	28 207 500	31 120 000
Total	**10 111 500**	**28 951 500**	**31 864 000**

53. **Subject to the approval by the General Assembly of the recommendations of the Commission, requirements for the biennium 2010-2011 will be considered in the context of the performance reports for the biennium 2010-2011 and requirements for the biennium 2012-2013 will be considered in the context of the proposed programme budget for the biennium 2012-2013.**

54. **The financial implications arising from the decisions and recommendations of the International Civil Service Commission for the budgets of peacekeeping operations for the periods 2010/2011, 2011/2012 and 2012/2013 onwards are estimated at $203,600, $116,292,200 and $125,272,000, respectively, and the financial implications for the support account for peacekeeping operations for the periods 2010/2011 and 2011/2012 onwards are estimated at $32,500 and $65,000, respectively, as summarized in table 5.**

Table 5

Summary of financial implications for the budgets of peacekeeping operations and the support account for peacekeeping operations as a result of the decisions and recommendations of the Commission

(United States dollars)

	1 July 2010-30 June 2011		*1 July 2011-30 June 2012*		*1 July 2012-30 June 2013*	
	Peacekeeping operations budgets	*Support account*	*Peacekeeping operations budgets*	*Support account*	*Peacekeeping operations budgets*	*Support account*
(a) Education grant	84 300	10 900	168 600	21 800	168 600	21 800
(b) Base/floor salary scale	63 800	14 400	127 600	28 800	127 600	28 800
(c) Children's and secondary dependant's allowances	55 500	7 200	111 000	14 400	111 000	14 400
(d) Harmonization of the conditions of service for staff serving at non-family duty stations	—	—	115 885 000	—	124 864 800	—
Subtotal	**203 600**	**32 500**	**116 292 200**	**65 000**	**125 272 000**	**65 000**
Total (peacekeeping operations and support account)		**236 100**		**116 357 200**		**125 337 000**

55. **Subject to the approval by the General Assembly of the recommendations of the Commission, requirements for peacekeeping budgets and the support account will be reflected in the performance reports relating to the budgets for the period 1 July 2010 to 30 June 2011 and in the context of the proposed budgets for the period 1 July 2011 to 30 June 2012.**